

THE WHITE HOUSE

WASHINGTON

May 7, 2010

The Honorable Chet Culver
Chair
Governors Biofuels Coalition
Governor Chet Culver
State Capitol
1007 East Grand Ave.
Des Moines, Iowa 50319

Dear Chet,

It was a pleasure visiting Iowa again last month and having the opportunity to talk with you. I have a special regard for your beautiful state and always enjoy the time I spend there.

I value your perspective on the challenges facing rural America and, more specifically, share your assessment of the critical role biofuels technologies and markets will play in America's transition to a clean energy economy. The foresight and leadership you have exhibited as Governor of Iowa and Chair of the 35-state Governors Biofuels Coalition has been instrumental in elevating this issue as a national priority, and my advisors and I appreciate working with you to advance our common policy goals in this area.

Substantial progress has been made toward realizing Iowa's full promise as a generator of renewable energy. However, there is still much work to be done. Thus, I want to respond to the suggestions in your May 4, 2010, letter.

First, as you point out, my Administration's Biofuels Interagency Working Group is evaluating options for promoting the development of the biofuels markets. Two factors that affect this objective are the availability of flex fuel vehicles and access to the blender pumps to supply them. That is why I am so intrigued by the proposal you and the Governors' Biofuels Coalition presented to the Working Group for a pilot-scale demonstration program to increase public awareness of the potential of flex fuel vehicles and encourage the installation of blender pumps near biofuels production centers. I have asked the Biofuels Interagency Working Group to evaluate this proposal further.

Second, as I believe my staff mentioned to you in Washington last month, EPA is continuing their scientific review of the E15 blend wall and will make a decision as expeditiously as possible. I understand the significance of higher ethanol blends for our effort to achieve energy

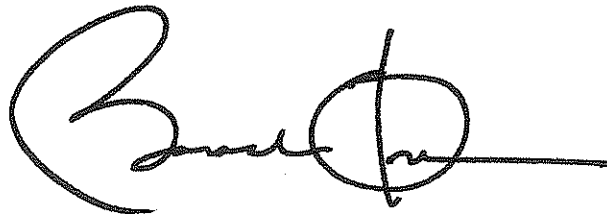
independence, and await with anticipation the results of EPA's scientific review of their viability.

Finally, I share your hope that Congress will be able to move energy legislation that will reduce our dependence on oil this year. In my view, the most effective way to achieve that goal is through comprehensive energy and climate legislation that includes provisions that address market barriers to the expanded deployment of biofuels.

You have mentioned specifically on several occasions the potential of the Consumer Fuels and Vehicle Choice Act (S. 1627) introduced by Senators Lugar and Harkin. I agree with you that substantially increasing the number of flex-fuel vehicles manufactured in the United States and helping service station owners with the cost of installing pumps and infrastructure for ethanol blends up to E85 could address the market barriers you have identified.

You are absolutely right that we must support our clean energy domestic industries if we are to be competitive in the global clean energy economy and that removing barriers to the commercial-scale development of biofuels industries is an essential component of this strategy. Please let me know what reaction you get from Senators Harkin and Grassley to the Consumer Fuels and Vehicle Choice Act. I look forward to continuing to work with you on these issues.

Sincerely,

A handwritten signature in black ink, appearing to be "Barack Obama", with a large, stylized initial "B" and a circular flourish at the end.